

Program B: Office of Management and Finance

Program Authorization: R.S. 15:574.2-574.21; R.S. 15:821-840.2; R.S. 15:1111; R.S. 36:401-409; Hayes Williams, et al v. John McKeithen, et al CA 71-98-b (M.D. La.)

PROGRAM DESCRIPTION

The mission of the Office of Management and Finance Program (which is under the authority of the undersecretary) is to provide the leadership, direction, and support to efficiently manage and account for the department's resources. The Office of Management and Finance Program is responsible for the fiscal services, information services, food services, maintenance and construction, performance audit, training, procurement and contractual review, and human resource programs of the department. The Prison Enterprises Division is also under the authority of the undersecretary.

The goals of the Office of Management and Finance Program are:

1. Provide efficient management of resources to hold down costs where possible.
2. Ensure that the department's resources are accounted for in accordance with applicable laws and regulations.
3. Provide the necessary support to all units in managing their fiscal affairs.
4. Ensure that Prison Enterprises operations meet American Correctional Association (ACA) standards.

OBJECTIVES AND PERFORMANCE INDICATORS

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2000-2001. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

The success of this program is reflected in the success of other programs in the Department of Public Safety and Corrections, Corrections Services.

The objectives and performance indicators that appear below are associated with program funding in the Base Executive Budget for FY 2000-01. Specific information on program funding is presented in the financial sections that follow performance tables.

1. (KEY) To account for and efficiently manage resources while upholding laws and regulations; educate and monitor units' fiscal matters through monthly completion of C-05-001 reports; and maintain department accreditation.

Strategic Link: This operational objective is related to the following program strategic objectives: Strategic Objective I.1 (*To efficiently manage resources on an annual basis.*); Strategic Objective II.1 (*To ensure that the department's resources are accounted for in accordance with applicable laws and regulations.*); Strategic Objective III.1 (*To provide the necessary support to all units in managing their fiscal affairs.*); and Strategic Objective IV.1 (*To maintain department accreditation through fiscal year 2001.*)

Explanatory Note: Although corrections expenditures have been climbing steadily across the United States, Louisiana's corrections spending has expanded less dramatically than either the southern region or the nation as a whole. For example, according to U.S. Bureau of the Census data for 1997, Louisiana ranks 27th among the states in per capita spending for corrections, at \$95.81 per person. A survey conducted by Louisiana's Legislative Fiscal Office indicates that between FY 1989-90 and FY 1999-00, expenditures for corrections increased 125.05% in the 16-state region of the southern legislative conference. During this period, however, Louisiana had the sixth lowest increase (126.62%) in the region.

All Prison Enterprises programs have met all appropriate ACA standards in cooperation with each audited adult correctional institution. Performance information for the Prison Enterprises Division may be found in schedule 21.

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Number of grants administered	Not applicable ¹	30	28	28	28	28
K	Dollar amount of grants administered (in \$ millions)	Not applicable ¹	\$11.3	\$12.4	\$12.4	\$12.4	\$12.4
S	Percentage of budget units having repeat audit findings from the Legislative Auditor	Not applicable ¹	16.7%	16.7%	16.7%	16.7%	16.7%

¹ This was a new performance indicator for FY 1999-00. It did not appear under Act 19 of 1998 and does not have a FY 1998-99 performance standard.

Explanatory Note: The Office of Risk Management requires state agencies to be audited annually in compliance with the state Loss Prevention Program. Agencies that do not pass 100% of the audit can be assessed a 5% increase in their risk management premiums. Those agencies that pass the audit realize a savings in current year risk management premiums.

GENERAL PERFORMANCE INFORMATION: OFFICE OF RISK MANAGEMENT INSURANCE PREMIUMS AND SAVINGS ASSOCIATED WITH LOSS PREVENTION PROGRAM, BY CORRECTIONAL SYSTEM UNIT			
INSTITUTION	BUDGETED FY1999-00	PREMIUM FY 1999-00	DIFFERENCE (SAVINGS)
Headquarters	\$542,704	\$515,572	\$27,132
Phelps Correctional Center	\$213,550	\$202,902	\$10,648
Louisiana State Penitentiary	\$2,991,224	\$2,842,279	\$148,945
Swanson Center for Youth	\$359,779	\$341,953	\$17,826
Jetson Center for Youth	\$643,230	\$611,177	\$32,053
Bridge City Center for Youth	\$118,815	\$112,962	\$5,853
Office of Youth Development - Field	\$113,257	\$107,577	\$5,680
Avoyelles Correctional Center	\$313,371	\$297,962	\$15,409
Louisiana Correctional Institute for Women	\$146,258	\$139,191	\$7,067
Winn Correctional Center	\$34,294	\$32,585	\$1,709
Allen Correctional Center	\$40,488	\$38,464	\$2,024
Dixon Correctional	\$464,340	\$441,267	\$23,073
Work Training Facility North	\$72,118	\$68,612	\$3,506
Hunt Correctional Center	\$629,688	\$598,893	\$30,795
Wade Correctional Center	\$349,662	\$332,476	\$17,186
Probation & Parole	\$406,289	\$385,976	\$20,313
Washington Correctional Institute	\$499,635	\$474,853	\$24,782
INSTITUTION SUBTOTAL	\$7,938,702	\$7,544,701	\$394,001
Prison Enterprises	\$281,234	\$267,172	\$14,062
TOTAL SAVINGS FOR THE STATE OF LOUISIANA			\$408,063

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1998-1999	ACT 10 1999- 2000	EXISTING 1999- 2000	CONTINUATION 2000 - 2001	RECOMMENDED 2000 - 2001	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$12,279,605	\$12,588,618	\$13,580,320	\$14,490,801	\$18,487,461	\$4,907,141
STATE GENERAL FUND BY:						
Interagency Transfers	2,144,615	3,207,557	3,534,995	3,534,995	3,534,995	0
Fees & Self-gen. Revenues	861,423	828,432	828,432	828,432	828,432	0
Statutory Dedications	0	0	0	0	0	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	2,058,029	5,926,386	5,926,386	5,708,847	6,408,847	482,461
TOTAL MEANS OF FINANCING	\$17,343,672	\$22,550,993	\$23,870,133	\$24,563,075	\$29,259,735	\$5,389,602
EXPENDITURES & REQUEST:						
Salaries	\$3,925,965	\$4,419,221	\$4,419,221	\$4,550,645	\$4,492,892	\$73,671
Other Compensation	90,066	0	0	0	94,300	94,300
Related Benefits	4,906,577	5,655,524	5,655,524	6,416,734	6,414,681	759,157
Total Operating Expenses	2,124,484	2,611,704	2,611,704	3,292,580	2,825,897	214,193
Professional Services	559,695	1,098,216	1,098,216	1,193,212	1,171,248	73,032
Total Other Charges	3,603,368	7,968,053	9,287,193	8,258,526	13,436,317	4,149,124
Total Acq. & Major Repairs	2,133,517	798,275	798,275	851,378	824,400	26,125
TOTAL EXPENDITURES AND REQUEST	\$17,343,672	\$22,550,993	\$23,870,133	\$24,563,075	\$29,259,735	\$5,389,602
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	107	111	111	116	116	5
Unclassified	33	33	35	35	35	0
TOTAL	140	144	146	151	151	5

SOURCE OF FUNDING

This program is funded with State General Fund, Interagency Transfers, Fees and Self-generated Revenue and Federal Funds. The Interagency Transfers are received from the following: (1) administrative cost reimbursed from the Department of Education for the school lunch program, PIPS, Title 1, Title 2, Title 6, Drug Free Schools; (2) LCLE for special projects; (3) Department of Social Services for Title IV-E Emergency Assistance funding; and (4) security costs reimbursed by the Department of Transportation and Development for providing inmate road cleanup crews. The Fees and Self-generated Revenue are derived from the following: (1) funds collected from Prison Enterprises for postage reimbursement and administrative costs; (2) funds collected from inmate banking to cover administrative cost incurred from managing the inmate banking program; and 3) funds collected from telephone commissions. The Federal Funds are grants received from the National Institute of Corrections; the Violent Offender/Truth in Sentencing Grant Program; and the Life Skills for State and Local Prisoners Grant Program.

ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O	DESCRIPTION
		.	
\$12,588,618	\$22,550,993	144	ACT 10 FISCAL YEAR 1999-2000
\$991,702	\$991,702	0	Carry Forward for Professional Services rendered per contract with the Madison Parish School Board
\$0	\$327,438	0	Juvenile Accountability Grant Program
\$0	\$0	2	Increase in the Table of Organization by one (1) Educational Specialist position and one (1) Administration Specialist position as approved by the Commissioner of Administration on 8/10/99
\$13,580,320	\$23,870,133	146	EXISTING OPERATING BUDGET – December 3, 1999
\$108,093	\$108,093	0	Annualization of FY 1999-2000 Classified State Employees Merit Increase
\$59,964	\$59,964	0	Classified State Employees Merit Increases for FY 2000-2001
\$23,996	\$23,996	0	State Employee Retirement Rate Adjustment
(\$9,782)	(\$9,782)	0	Teacher Retirement Rate Adjustment
\$182,788	\$182,788	0	Risk Management Adjustment
\$233,600	\$233,600	0	Acquisitions & Major Repairs
(\$798,275)	(\$798,275)	0	Non-Recurring Acquisitions & Major Repairs
(\$991,702)	(\$991,702)	0	Non-Recurring Carry Forwards for the Madison Parish School Board
\$3,567	\$3,567	0	Legislative Auditor Fees
\$1,237	\$1,237	0	UPS Fees
\$424,766	\$424,766	0	Salary Base Adjustment
(\$474,294)	(\$474,294)	0	Attrition Adjustment
(\$39,985)	(\$39,985)	(1)	Personnel Reductions
\$746,502	\$746,502	0	Retired Employees Group Benefits Adjustment
\$128,743	\$128,743	0	Civil Service Fees
\$442,693	\$442,693	5	Workload Adjustments - 4th year phase of the Wide Area Networking Project for the Department
\$372,200	\$372,200	0	Other Annualizations - Intregated Statewide Information System Human Resource Network System Assessment
\$0	(\$217,539)	0	Other Non-Recurring Adjustments - 7 months funding for the Life Skills Grant Program
(\$128,625)	(\$128,625)	0	Other Non-Recurring Adjustments - Life Skills/Pre-release Program for State inmates housed in the Concordia Parish facility
(\$12,000)	(\$12,000)	0	Other Non-Recurring Adjustments - Life Skills/Vital Issues Project
\$94,300	\$94,300	0	Other Adjustments - Other Compensation Adjustment
\$34,189	\$34,189	0	Other Adjustments - Human Resource, Information Systems, Undersecretary and Deputy Assistant Secretary pay adjustments
(\$16,890)	(\$16,890)	0	Other Technical Adjustments - Transfers two (2) years of Teacher Pay Raises to the Office of Youth Development's Appropriation to reflect funding in the appropriate agency
\$32,383	\$32,383	1	Other Technical Adjustments - Transfer of one (1) Office Coordinator position from the

Office of Secretary program to properly reflect funding in the appropriate program.

(\$700,000)	\$0	0	Net Means of Financing Substitutions - Replace State General Fund with Federal Funds to be received from the State Criminal Alien Assistance Program
\$5,189,673	\$5,189,673	0	New And Expanded Adjustments - Pay increase for P.O.S.T. certified law enforcement classes (Peace Officer Safety Training) for Correctional Security Officers and Probation and Parole Officers
\$18,487,461	\$29,259,735	151	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$18,487,461	\$29,259,735	151	BASE EXECUTIVE BUDGET FISCAL YEAR 2000-2001
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$18,487,461	\$29,259,735	151	GRAND TOTAL RECOMMENDED

The total means of financing for this program is recommended at 122.6% of the existing operating budget. It represents 110.8% of the total request (\$26,401,831) for this program. The increase in the recommended level is primarily attributed to the pay increase for P.O.S.T. certified law enforcement classes (Peace Officer Safety Training) for Correctional Security Officers and Probation and Parole Officers.

PROFESSIONAL SERVICES

\$182,580	Consulting and software modification service for the Wide Area Networking Project for the Department
\$72,500	Consulting services for the Life Skills for State and Local Prisoners Grant Program
\$601,258	Consulting services for the Residential Substance Abuse Treatment Grant
\$5,854	Engineering and architectural consultant for specifications pertaining to construction and renovation projects

\$8,318	Attorneys - reimbursement to employees' attorneys in Civil Service cases the Department loses
\$79,738	Evaluation for Prison Rehabilitation Program as required by Act 138 of the 3rd Extraordinary Special Session of 1994
\$221,000	Consulting services for the Youth Transition Training Grant

\$1,171,248 TOTAL PROFESSIONAL SERVICES

OTHER CHARGES

\$1,331,101	LCLE Grants for law enforcement to be awarded to the Department of Corrections
\$130,458	Legislative Auditor
\$117,404	Department of Education Grants
\$604,645	DOTD Inmate Road Crews for state inmates housed in local jails
\$5,189,673	Pay increase for Probation and Parole Officers and Correctional Security Officers
\$5,000,000	Violent Offender Truth-in-Sentencing Grant

\$12,373,281 SUB-TOTAL OTHER CHARGES

Interagency Transfers:

\$762,790	Allocation to the Department of Civil Service
\$1,452	Allocation to the Comprehensive Public Training Program
\$217,696	Allocation to the Division of Administration for Uniform Payroll System
\$1,560	Allocation to the Division of Administration for the State Register
\$19,538	Allocation to the Department of Public Safety for the provision of data processing services to support the automation of adult, juvenile and inmate banking systems.
\$60,000	Legal support to be provided by the Attorney General's Office (Department of Justice)

\$1,063,036 SUB-TOTAL INTERAGENCY TRANSFERS

\$13,436,317 TOTAL OTHER CHARGES

ACQUISITIONS AND MAJOR REPAIRS

\$824,400	Replace four vehicles and various pieces of office equipment; purchase data communications equipment and computer hardware for Year 4 of the Wide Area Network Project for the Department; replace chiller and carpet at the Headquarters compound.
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\$824,400 TOTAL ACQUISITIONS AND MAJOR REPAIRS